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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Report of the Working Party on the Medium-term Plan and the Programme Budget on its twenty-third session

held at the Palais des Nations, Geneva,
from 20 to 23 June 1994

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INTRODUCTION

1. The twenty-third session of the Working Party on the Medium-term Plan and the Programme Budget was held at the Palais des Nations, Geneva, from 20 to 23 June 1994. In the course of the session, the Working Party held two plenary meetings - the 103rd and 104th meetings. All other meetings were informal and held in private.

2. In his opening statement, the **Director of Programme Support and Management Services** expressed the secretariat's deep appreciation to the outgoing Chairman, Mr. Michael Mugliston (Australia), for the very active and effective role he had played in the work of the Working Party. His thanks went also to the Vice-Chairman-cum-Rapporteur, Mr. José Perez Gabilondo (Argentina) for his excellent contribution.

3. Turning to the proposals for the second revision to the Medium-term Plan 1992-1997, he recalled that the current Medium-term Plan was first revised in 1992. This, the second and last revision, covered the last two years of the Plan, that is 1996-1997.

4. The Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation - usually referred to as the "programme planning rules" - provided for four instruments of integrated management. This "cycle" of four instruments - consisting of the Medium-term Plan, the Programme Budget, Monitoring and Evaluation - was meant to "form an integral part of the general policy-making and management process of the Organization." (Regulation 2.2).

5. Under Regulation 3.2, the Medium-term Plan was "a translation of legislative mandates into programmes" and "its objectives and strategies shall be derived from the policy orientations and goals set by the intergovernmental organs". Furthermore, Regulation 3.4 provided that the plan "shall serve as a framework for the formulation of the biennial programme budgets".

6. The mandate for revisions to the Medium-term Plan was set out in Regulation 3.11 which provided for revisions "as necessary every two years to incorporate required programme changes". In accordance with this Regulation, at its forty-eighth session the General Assembly had requested the Secretary-General of the United Nations to prepare proposed revisions to the current plan for the General Assembly's review at its forty-ninth session.

7. The programme planning rules also provided for sectoral and functional intergovernmental bodies to review those parts of the Medium-term Plan within their area of competence before the central review bodies at United Nations Headquarters, New York. The proposed revisions were accordingly before the Working Party for its review.

8. Prior to the Working Party's detailed review - for which individual programme managers would be available to provide clarifications and to reply to any questions - he gave the following explanation of the proposed revisions to the Medium-term Plan and the reasons underlying them.

9. The revisions proposed under Programmes 13 and 14 largely reflected the outcome of the Trade and Development Board's review and evaluation of the work programme of UNCTAD's intergovernmental machinery. This outcome could be highlighted as follows:

(a) While recognizing that the five Ad Hoc Working Groups established under the Cartagena Commitment (dealing with: Investment and Financial Flows, Privatization, Interrelationship between Investment and Technology Transfer, Expansion of Trading Opportunities, and Trade Efficiency) had been successful and their conclusions provided orientations for future work, creating the basis for further movement in the "dynamic and progressive sequence" set out at UNCTAD VIII (paras. 51-57 of Cartagena Commitment), the Board had decided to wind up the work of the five Ad Hoc Working Groups and to establish a Preparatory Committee for the United Nations International Symposium on Trade Efficiency scheduled for September 1994 at Columbus, Ohio. An executive session of the Board would be convened after the Symposium to consider its follow-up.

(b) Furthermore, the Board had established and adopted terms of reference for three ad hoc working groups, on Trade, Environment and Development, the Role of Enterprises in Development, and Trading Opportunities in the New International Trading Context. In addition, intergovernmental consultations were to continue in connection with the formulation of terms of reference for the Ad Hoc Working Group to Explore the Issue of Structural Adjustment for the Transition to Disarmament, whose establishment was mandated under Board decision 399 (XXXIX).

(c) Lastly, and with respect to the Standing Committees which were also established under the Cartagena Commitment, the Board had decided that they were to continue with their work. However, the Board had recognized that the existing work programmes of these Committees were too ambitious given, among other things, the resource constraints of the secretariat, and hence the Board had called for better focus in their work.

10. In the light of the developments just referred to, the secretariat proposed the revisions to Programmes 13 and 14 now before the Working Party. With respect to subprogramme 13.1 (International competition and trade policies) the revisions took into account the programmatic implications of the Ad Hoc Working Group on Trade, Environment and Development. The revisions to subprogrammes 13.3 (Development Finance and Debt), and 13.9 (Privatization, entrepreneurship and competitiveness) took into account the programmatic implications of the Ad Hoc Working Group on the Role of Enterprises in Development. And similarly, revisions to subprogramme 14.1 (Trade expansion, export development and services sector development) took into account the programmatic implications of the Ad Hoc Working Group on Trading Opportunities in the New International Trading Context.

11. In addition, at its thirty-ninth session the Board had decided to consider the theme "Trade and environment" at the first part of each of its annual sessions. This has also been reflected in the revisions to subprogrammes 13.1, 13.2 and 17.3.

12. Coming to Programme 15, he said that there were three intergovernmental decisions that were reflected in the revised text:

(a) In the first place, with respect to LDCs he recalled that, under resolution 48/171, the General Assembly had decided to convene a High-level Intergovernmental Meeting on the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s, and to adopt national and international policies and measures for accelerating their development. UNCTAD had been entrusted with the preparation and the follow-up of the Meeting.

(b) Furthermore, the Second Meeting of Governmental Experts from Landlocked and Transit Developing Countries and Representatives of Donor Countries and Financial and Development Institutions required follow-up to be undertaken by UNCTAD.

(c) Thirdly, UNCTAD was also expected to support the implementation of the Programme of Action for Sustainable Development of Small Island Developing States adopted at the Barbados Conference in April 1994.

13. With reference to Programmes 17 and 23, under resolution 47/212 B, the General Assembly had approved the transfer to UNCTAD of the activities reflected in subprogrammes 1, 2, and 4 of Programme 17, and those reflected in Programme 23. The same resolution called for further improvement of efficiency and effectiveness in addressing development and interrelated issues in the areas of trade, finance, investment, services and technology.

14. In the case of Programme 17, the restructuring of the economic and social sectors necessitated revisions in: (a) the general orientation and overall strategy of the programme, and (b) the structure and content of existing subprogrammes.

15. The secretariat was proposing that the subprogramme structure be modified as follows:

(a) Termination of subprogramme 3 in Programme 17 (A/47/6/Rev.1) due to the decision to assign responsibility to the Department for Policy Coordination and Sustainable Development (DPCSD) in New York for co-ordinating related activities of the United Nations system on science and technology for sustainable development;

(b) Owing to the related nature of the activities and the need for rationalization and streamlining, it was proposed that subprogramme 4, dealing with information services, be merged with subprogramme 2 dealing with the advance technology assessment system (A/47/6/Rev.1);

(c) Moving subprogramme 4 (investment and technology) of Programme 13 (trade and development) to Programme 17 to achieve consistency and synergy in the treatment of technology-related issues.

16. Furthermore, it was proposed that subprogramme 1 (former subprogramme 1 of Programme 17) and subprogramme 3 (former subprogramme 4 of Programme 13), which were originally designated high priority, remain so.

17. As for Programme 23, in the light of the restructuring of the economic and social sectors, he recalled that, at its twentieth session in May 1994, the Commission on Transnational Corporations had decided to recommend to the General Assembly the adoption of a draft resolution calling for the integration of the Commission into the institutional machinery of UNCTAD and renaming it the Commission on International Investment and Transnational Corporations. In turn, at the resumed second part of its fortieth session, the Board had responded positively to this recommendation.

18. It was proposed that Programme 23 be revised to reflect these intergovernmental decisions. In addition, at its twentieth session, the Commission on Transnational Corporations had reviewed its work programme. As a result, it had proposed to the Economic and Social Council revisions to the general orientation and the work programme of the Commission. Without prejudice to the decision of the Council and the General Assembly on this recommendation, revisions were proposed to Programme 23, in particular subprogramme 1. Amendments would be made according to the outcome of the deliberations in the Economic and Social Council.

19. It was proposed that subprogrammes 2 and 3 be designated high priority.

20. He reminded delegations that the intergovernmental review body for the proposed subprogrammes 1 and 2 of Programme 17 was the Commission on Science and Technology for Development and the review body for Programme 23 was the Commission on Transnational Corporations. Accordingly, the narrative for subprogrammes 1 and 2 of Programme 17 and that for Programme 23 was being made available for information and to assist in the review of the other Programmes by the Working Party.

21. Lastly, he gave the following clarification on two other issues:

(a) Regarding subprogramme 13.11 (Environment and sustainable development), while cross-sectoral work had been transferred to the Department of Policy Coordination and Sustainable Development (DPCSD) in New York, the UNCTAD secretariat was of the view that, for reference purposes as a policy directive, it was desirable to keep this subprogramme in the Medium-term Plan. The subprogramme provided a comprehensive overview of the work done by UNCTAD in this area. And, furthermore, member States attached great importance to the issue, as evidenced by the Board's decision at its thirty-ninth session to consider the item "Trade and environment" once a year, and by the recent creation of an Ad Hoc Working Group to examine the interlinkages between trade, environment and development and related policies. Execution of the activities themselves was covered under other subprogrammes, notably, 13.1, 13.2, 13.5, 13.9, 14.4, 14.5, 14.6 and 17.3.

(b) The second issue related to that part of subprogramme 15.2 covering Assistance to the Palestinian People. The secretariat was not proposing revisions as no legislative mandate so far called for them.

Nevertheless, the recent developments in the region and the processes that had been set in motion, were expected eventually to necessitate adjustment in the nature, orientation and scope of the course of action required to achieve the objectives of the Plan. This could be reflected in the Programme Budget for 1996-1997.

Chapter I

REVIEW OF THE DRAFT REVISIONS TO THE UNCTAD SECTIONS OF THE UNITED NATIONS MEDIUM-TERM PLAN FOR 1992-1997

(Agenda item 3)

22. For its consideration of this agenda item, the Working Party had before it the following documentation:

- "Medium-term Plan for the period 1992-1997 as revised by the General Assembly at its forty-seventh session" vol.I: Major programmes I to IV (A/47/6/Rev.1 and Corr.1) */
- "Draft revisions to the relevant UNCTAD sections of the United Nations Medium-term Plan for the period 1992-1997" - prepared by the UNCTAD secretariat (TD/B/WP(XXIII)/CRP.1 and Add.1).

Action by the Working Party

23. At its 104th (closing) meeting, on 23 June 1994, the Working Party, in the light of the Medium-term Plan for the period 1992-1997 as revised by the General Assembly at its forty-seventh session (A/47/6/Rev.1 and Corr.1), approved the draft revisions thereto as set forth in TD/B/WP(XXIII)/CRP.1 and Add.1, subject to the amendments contained in TD/B/WP(XXIII)/CRP.2. The Working Party noted that the consolidated revisions would be transmitted by the UNCTAD secretariat to United Nations Headquarters.

24. At the same meeting, the Working Party adopted a decision on this agenda item, which had been circulated in draft form in English only. (For the decision as adopted, see annex I below).

Closing statements

25. The representative of the **UNCTAD secretariat** thanked the participants in the Working Party for their contributions, guidance and advice. Immediately after the close of the session, the secretariat would be submitting to New York the amendments proposed by the Working Party to the draft revisions covering the last two years of the current Medium-term Plan. He recalled that the documentation made available to the Working Party, as well as its format, was in conformity with the programme planning regulations and rules and the instructions from the United Nations Controller on behalf of the United Nations Secretary-General. In addition, the UNCTAD secretariat had made available, for easy reference and to assist in the Working Party's review, a complete text including the current Medium-term Plan and proposed changes.

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*/ In parallel with this document, the UNCTAD secretariat circulated informally a consolidated text of Programmes 13, 14, 15 and 17 indicating the proposed revisions.

26. As pointed out in the United Nations Secretary-General's report to the General Assembly on a possible new approach to programme planning (A/48/277), the effectiveness of the programme planning system in achieving the objectives of the United Nations "has been called increasingly into question, both within the Secretariat and among Member States" (ibid., para. 7). With respect to the Medium-term Plan itself, the report indeed noted that the current plan did not function well as a policy-level perspective. For example, the introduction, which should provide the general orientation of the work of the Organization, was not given sufficient prominence to allow for easy comprehension of the Organization's objectives. At the same time, as the Secretary-General's report emphasized, it was recognized that a "process to elaborate and adopt policies, a framework to organize and present the programmes and activities as justification for resource requirements, are necessary to preserve and enhance the democratic character of the Organization as well as the cohesiveness and effectiveness of its Secretariat." (ibid., para. 9). At its current session, the Working Party had itself noted such limitations in the present programme planning system, which would be brought to the attention of the Controller of the United Nations in addition to the changes proposed to the draft revisions of the UNCTAD secretariat.

27. Finally, he reiterated the importance attached by the UNCTAD secretariat to the role of the Working Party in providing assistance and guidance with a view to ensuring that the overall work of UNCTAD was in conformity with mandates and with member States' priorities.

28. The representative of **Australia** expressed his appreciation for the very efficient and effective manner in which the Chairman had conducted the deliberations of the Working Party and thanked the secretariat for the assistance it had provided in the revision exercise. He welcomed especially the consolidated text of proposed revisions to the Medium-term Plan made available by the secretariat, which had greatly facilitated the work of the Working Party. The revisions agreed upon represented a very good outcome for the session, as did the formal decision just adopted.

Chapter II

ORGANIZATIONAL MATTERS

A. Opening of the session

29. The twenty-third session of the Working Party was opened on 20 June 1994 by Mr. Michael Mugliston (Australia), Chairman of the Working Party at its twenty-second session.

B. Election of officers

(Agenda item 1)

30. At its 103rd (opening) meeting, on 20 June 1994, the Working Party elected Mr. Gomi Senadhira (Sri Lanka) as its Chairman and Mr. Vladimir Skliarov (Russian Federation) as its Vice-Chairman-cum-Rapporteur.

C. Adoption of the agenda and organization of work

(Agenda item 2)

31. Also at its 103rd meeting, the Working Party adopted the provisional agenda for its twenty-third session (TD/B/WP/83), as follows:

1. Election of officers

2. Adoption of the agenda and organization of work

3. Review of the draft revisions to the UNCTAD sections of the United Nations Medium-term Plan for 1992-1997

4. Provisional agenda for the twenty-fourth session of the Working Party

5. Other business

6. Adoption of the report of the Working Party to the Trade and Development Board.

32. With regard to the organization of work for the session, the Working Party decided to consider the proposed revisions to the Medium-term Plan in an informal working group. In this connection, the Working Party approved the tentative timetable annexed to TD/B/WP/83 and an informal paper circulated by the secretariat entitled "Suggested sequence for discussion".

D. Provisional agenda for the twenty-fourth session of the Working Party

(Agenda item 4)

33. At its 104th (closing) meeting, on 23 June 1994, the Working Party approved the draft provisional agenda for its twenty-fourth session as circulated in TD/B/WP/L.69, having amended item 5 to read as follows: 5. Report by the Secretary-General of UNCTAD on the economies as well as on the redeployment of resources. (For the provisional agenda as approved, see annex II below).

E. Adoption of the report of the Working Party to the Trade and Development Board

(Agenda item 6)

34. Also at its closing meeting, the Working Party adopted the draft report on its twenty-third session (TD/B/WP/L.68) and authorized the Rapporteur to complete the final report as appropriate.

ANNEXES

Annex I

DECISION ADOPTED BY THE WORKING PARTY AT ITS TWENTY-THIRD SESSION

A. Review of the UNCTAD sections of the Medium-term Plan

The Working Party on the Medium-term Plan and the Programme Budget,

1. Having reviewed the draft revisions to the relevant UNCTAD sections of the United Nations Medium-term Plan for the period 1992-1997, as contained in TD/B/WP(XXIII)/CRP.1 and Add.1 and, in connection with Programme 17 and Programme 23, at this stage confined its review to subprogramme 3 - Investment and technology - of Programme 17,

2. Decides to approve the revisions contained in TD/B/WP(XXIII)/CRP.1 and Add.1, subject to the amendments contained in TD/B/WP(XXIII)/CRP.2;

3. Notes that 13 out of 20 subprogrammes have been designated high priority;

4. Considers that, in view of the number of subprogrammes designated as high priority, the Trade and Development Board, at its next session, should take up the issue of prioritization and should provide guidance on the handling of this matter before the Working Party examines the proposed programme budget for the biennium 1996-1997.

B. Factors for improving and guiding future review exercises

The Working Party on the Medium-term Plan and the Programme Budget,

1. Recalling the agreed conclusions of the Working Party adopted at its twenty-second session as endorsed by the Board at its third executive session,

2. Recognizing the implications of the new approach to programme planning under review by the General Assembly as reflected in the report of the Secretary-General of the United Nations (A/48/277),

3. Recommends the following elements to be introduced in all future documentation for the purpose of improving and guiding preparations of a more efficient and informed review:

(a) Consistent structure in the presentation of the narratives of the various subprogrammes;

(b) Direct reference in the documentation between the proposed revisions to the Plan and the relevant legislative mandates;

(c) Reference to the relevant legislative mandates in chronological sequence.

104th meeting
23 June 1994

Annex II

PROVISIONAL AGENDA FOR THE TWENTY-FOURTH SESSION OF THE WORKING PARTY */

1. Election of officers

2. Adoption of the agenda and organization of work

3. Review of the technical cooperation activities of UNCTAD and their financing

4. Report by the Secretary-General of UNCTAD on the work of the secretariat on programme evaluation

5. Report by the Secretary-General of UNCTAD on the economies as well as on the redeployment of resources

6. Provisional agenda for the twenty-fifth session of the Working Party

7. Other business

8. Adoption of the report of the Working Party to the Trade and Development Board.

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*/ As approved by the Working Party at its 104th meeting, on 23 June 1994 (cf. chap. II, section D above).

Annex III

MEMBERSHIP AND ATTENDANCE */

1. The following States members of UNCTAD, members of the Working Party, were represented at the session:

Argentina
Australia
Bangladesh
China
Czech Republic
Denmark
India
Japan
Netherlands
Nigeria
Peru
Poland
Russian Federation
Sri Lanka
Tunisia
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Venezuela

2. The following other States members of UNCTAD, not members of the Working Party, were represented as observers at the session:

Bolivia
Bulgaria
Colombia
Democratic People's Republic of Korea
Ecuador
Egypt
Finland
France
Germany
Hungary
Iraq
Ireland
Italy
Jamaica
Pakistan
Switzerland
Turkey
United Arab Emirates

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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Report of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries on its fourth session

held at the Palais des Nations, Geneva,
from 4 to 8 July 1994

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INTRODUCTION

1. The Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries held its fourth session at the Palais des Nations, Geneva, from 4 to 8 July 1994. In the course of the session, the Ad Hoc Working Group held two plenary meetings and five informal meetings.

Opening statements

2. In his opening statement, the Officer-in-charge of UNCTAD recalled that the Ad Hoc Working Group had originally been scheduled to conclude its work within two years of the adoption of its terms of reference. However, owing to the timing of the completion of the Uruguay Round, and upon the recommendation of the Working Group itself, the Trade and Development Board had agreed to extend the period of the Group's mandate in order to allow the Group to consider the results of the Uruguay Round and their effects on the trading prospects of developing countries. It was noteworthy that the Group's current deliberations would be the first in-depth examination by an UNCTAD body of the results of the Uruguay Round. The focus would be in particular on the implications of market access concessions for the trading opportunities for developing countries and on the implications of strengthened multilateral disciplines for the range of policy options and instruments open to developing countries when they adopted export-oriented growth and adjustment policies. The work initiated by the Working Group on these important matters would no doubt be a valuable input into continuing intergovernmental analysis and assessment of the results of the Uruguay Round in the months and years ahead. It would contribute, in particular, both to the Board's broad consideration of the results of the Uruguay Round this Autumn and to the work of the new Ad Hoc Working Group on Trading Opportunities in the New International Trading Context.

3. The other important item on the agenda for the fourth session was the adoption of the Group's final report to the Trade and Development Board. In accordance with paragraph 1 of its terms of reference, the Ad Hoc Working Group was called upon "to analyse the prospects for, and examine ways of, expanding the trade opportunities of developing countries for the diversification and growth of their export supply capability and for the enlargement and improvement of their export market opportunities". 1/ This meant that the Group's report was to contain not only analysis, or the identification of issues most relevant to the expansion of trading opportunities for developing countries, but also policy recommendations on implementable commitments at the national and international levels to expand the trading opportunities of developing countries. He recalled that, in line with paragraphs 18 and 47 of the Cartagena Commitment, paragraph 3 of the terms of reference of the Group stated that "the Working Group should be inspired by the need to promote international consensus on principles and strategies for policy action at the national and international levels to enhance the development prospects of member States, particularly those of developing countries".

4. Another element that should be covered in the Working Group's report is technical cooperation. In this context, the Group was called upon by its mandate to identify areas in which technical cooperation should be strengthened.

5. Finally, the fact that the Board had decided, as a result of the mid-term review and evaluation of the work programme of the intergovernmental machinery of UNCTAD, to establish an Ad Hoc Working Group on Trading Opportunities in the New International Trading Context was, he believed, an indication of the member States' continuing interest in expanding trading opportunities for developing countries, thus contributing to the enhancement of their development prospects.

6. Reporting on the meeting of the Bureau of the Ad Hoc Working Group (22 June 1994) and on the Informal Workshop on Quantitative Approaches to Evaluating the Results of the Uruguay Round, organized by the UNCTAD secretariat on 1 July 1994, the **Chairman** said that what had transpired from those two events was relevant to the work of the Working Group at its current session. At the Bureau meeting, the view had been expressed that the Working Group should focus on developing a consensus on the methodology to be used in approaching the evaluation of the results of the Uruguay Round in UNCTAD, including in particular the kinds of studies and background papers required from the secretariat.

7. As for the Workshop, which not all delegations had been able to attend, it had been most interesting and relevant to the work of the Group. A number of experts from international organizations and academic institutions had participated. The Workshop had addressed various issues concerning both quantitative and qualitative analysis of the results of the Uruguay Round. These included identification of the quantifiable aspects of the various agreements in sectors of importance to developing countries, such as agriculture, textile and clothing, natural-resource-based products, tropical products and manufactures. The experts had indicated that there was a need to explore how to develop quantifiable models to assess the results of the Round in the areas of services, TRIPs and TRIMs, including the possible impact on developing countries. Regarding the rules and disciplines for, and the strengthening of, the multilateral trading system, including the improved dispute settlement mechanism, it had generally been agreed that, while they were likely to have a major impact on the trading opportunities of developing countries, such an impact could be assessed only qualitatively. These aspects should nevertheless be an integral part of an overall evaluation of the results of the United Nations.

8. She believed that, on the basis of the secretariat report as well as the discussion at the Workshop, the Working Group could have a fruitful exchange of views which would provide a basis for the Group's recommendation to the Trade and Development Board regarding evaluation of the Uruguay Round.

9. Finally, she said that a revised draft of the recommendations which she had distributed at the Bureau meeting would be available for consideration by the Working Group when it took up agenda item 4. She had made some revisions to the initial draft based on informal discussions she had had with some delegations.

Chapter I

CONSIDERATION OF ISSUES ARISING FROM THE WORK PROGRAMME OF THE AD HOC WORKING GROUP:

RESULTS OF THE URUGUAY ROUND AND THEIR EFFECTS ON THE TRADING PROSPECTS OF THE DEVELOPING COUNTRIES, INCLUDING IDENTIFICATION OF OPPORTUNITIES ARISING FROM THE REDUCTION OF TARIFFS AND NON-TARIFF MEASURES ON PRODUCTS OF EXPORT INTEREST TO THEM

(Agenda item 2)

10. For its consideration of this agenda item, the Ad Hoc Working Group had before it the following report by the UNCTAD secretariat:

"A preliminary analysis of the results of the Uruguay Round and their effects on the trading prospects of developing countries" (TD/B/WG.4/13).

11. Introducing the report by the UNCTAD secretariat (TD/B/WG.4/13), the Director of the International Trade Division recalled that, at its second session, the Working Group had requested participants of the Uruguay Round to provide the UNCTAD secretariat at the earliest date feasible with final lists of concessions made in the Uruguay Round. The Final Act of the Uruguay Round had been signed at Marrakesh, Morocco, on 15 April 1994. At the time of preparation of the secretariat's report, the UNCTAD secretariat had received only a limited number of final lists of concessions of Uruguay Round participants. This circumstance, in conjunction with the relatively brief period in which the secretariat had had to undertake an analysis of the concessions and other results of the Uruguay Round, had affected both the breadth and depth of the current report. For example, it was not possible to be comprehensive in the coverage of markets. Instead, the analysis of market access concessions was focused only on the major markets, the so-called "Quad countries" - i.e. Canada, European Union, Japan and the United States - which together accounted in value for around two thirds of world merchandise imports and for nearly 80 per cent of world service imports. In addition, given the multifaceted nature of the Uruguay Round results, the current report had had to be selective in its analysis of those results. Accordingly, the report focused on trade liberalization concessions and their implications for the market opportunities of developing countries and on those rule-making results that had major implications for the domestic policy options of developing countries to promote development of the export sector. Consequently, he emphasized that, given the range and complexity of the Uruguay Round agreements, this report should be seen as a first, preliminary, attempt by the UNCTAD secretariat to analyse the results of the Uruguay Round.

12. Outlining the main themes dealt with in the secretariat report, he noted in particular that the analysis in chapter III suggested that, in overall terms, imports by the markets of the four Quad countries of non-fuel merchandise were likely to rise by US$ 28.5 billion, which was equivalent to 4.6 per cent of the dutiable imports by these markets from the world in 1988. As regards additional imports from developing countries, these would amount to about US$ 7.1 billion or 3.1 per cent of the value of dutiable imports from developing countries in 1988. He emphasized that the analysis was in

aggregate terms - i.e. the estimates of trade benefits were for developing countries as a whole. At the time of writing, it had not been possible, because of the lack of relevant data, to disaggregate developing countries in terms of region or special category such as least developed. This limitation was of considerable importance as the gains might be unevenly distributed among countries and among product categories, particularly in the short- to medium-term time frame. This suggested that further work needed to be done to understand fully the likely impact of the Uruguay Round on the growth in world trade and the trade of developing countries in particular.

Chapter II

ADOPTION OF THE FINAL REPORT OF THE AD HOC WORKING GROUP TO THE TRADE AND DEVELOPMENT BOARD

(Agenda item 4)

13. To assist the Ad Hoc Working Group in its work, as requested by the Group, the UNCTAD secretariat had prepared a preliminary draft of the Group's final report (TD/B/WG.4/L.11). In accordance with the request of the Ad Hoc Working Group, the draft final report was prepared as a synthesis and elaboration of the Chairman's Summaries of the substantive discussion of the Group contained in the reports on each of the first three sessions of the Group.

Action by the Ad Hoc Working Group

14. At its 10th (closing) meeting, on 8 July 1994, the Ad Hoc Working Group adopted its draft Final Report (TD/B/WG.4/L.11/Rev.1 and Add.1-2), having first endorsed the amendments to TD/B/WG.4/L.11/Rev.1/Add.2 read out by the Chairman. 2/

Statements made after the adoption of the Final Report

15. The Chairman said that all members of the Ad Hoc Working Group could justifiably take pride in the accomplishments of the Group. The Group had discharged the tasks assigned to it under its mandate and had been able to carry out one of the most ambitious of the work programmes formulated by the original five Ad Hoc Working Groups established under the Cartagena Commitment. In the spirit of Cartagena, this Group had managed to promote international consensus on principles and strategies for policy action at the national and international levels to enhance the development prospects of member States, particularly those of the developing countries, through an expansion of trading opportunities. The Group had forged an intergovernmental consensus on the requirements for building export capabilities in developing countries as well as for the expansion and fuller utilization of market opportunities in the contemporary world economy. Areas in which strengthened technical cooperation could make a difference had also been identified.

16. Also of major importance for the future work of UNCTAD, the Ad Hoc Working Group had been the first UNCTAD body to venture into an examination of the results of the Uruguay Round. The work initiated by the Working Group on these important matters would no doubt be a valuable input into the continuing intergovernmental analysis and assessment of the results of the Uruguay Round in the years ahead. It would contribute, in particular, both to the Board's consideration of the results of the Uruguay Round in September 1994 and to the work of the new Ad Hoc Working Group on Trading Opportunities in the New International Trading Context. An important consensus had been reached in the Working Group which would increase the confidence of developing countries in the implementation phase of the Uruguay Round. She felt that the role of UNCTAD in contributing to this confidence building had been confirmed.

17. The representative of China agreed with the views expressed by the Chairman, especially with regard to the important role played by the Working

Group in the UNCTAD mechanism. His delegation was generally satisfied with the results achieved at the fourth session of the Working Group, although he considered that many issues were still to be explored. However, the new Ad Hoc Working Group on Trading Opportunities in the New International Trading Context would no doubt continue the work which this Group had not been able to accomplish. If the new Working Group succeeded in working in the spirit which had characterized the present Group, it would enhance the role of UNCTAD in helping the developing countries to integrate into the new international trading system.

18. The spokesman for the **Asian Group** (Sri Lanka) said that, although the Working Group's programme of work had been one of the most ambitious, the Group had achieved a consensus in many areas. The work must be pursued in the future and he hoped to see the same degree of success.

19. The spokesman for the **Latin American and Caribbean Group** (Mexico) agreed that the Working Group had tackled a very ambitious work programme. The results would be of the highest value to the new Ad Hoc Working Group on Trading Opportunities in the New International Trading Context.

20. The spokesman for the **European Union** (Germany) considered that excellent work had been carried out by the Working Group. Notwithstanding some differences of opinion on the effects of the conclusion of the Uruguay Round, the Final Report just adopted would be most useful to the new Working Group on Trading Opportunities.

21. The spokesman for **Group B** (Portugal) and the spokesman for the **African Group** (Zambia) joined the previous speakers in congratulating the Chairman for the excellent manner in which she had conducted the business of the Ad Hoc Working Group throughout its four sessions. They also expressed their deep appreciation to the Rapporteur.

Chapter III

ORGANIZATIONAL MATTERS

A. Opening of the session

22. The fourth session of the Ad Hoc Working Group was opened on 4 July 1994 by the Chairman.

B. Bureau of the Ad Hoc Working Group 3/

23. Mr. C. Sinencio (Mexico) being unable to attend the fourth session, he was replaced as Vice-Chairman by Mr. R. Cervantes Villareal (Mexico). The Bureau of the Ad Hoc Working Group at its fourth session was therefore as follows:

Chairman:	Mrs. Magda Shahin (Egypt)
Vice-Chairmen:	Mr. I. Kinnas (Greece) Mr. P. Hutabarat (Indonesia) Mr. R. Cervantes Villareal (Mexico) Mr. Y. Afanassiev (Russian Federation) Mr. H. Dzvimbo (Zimbabwe)
Rapporteur:	Mr. Dietmar-Gert Lackner (Austria)

C. Adoption of the agenda and organization of work

(Agenda item 1)

24. At its 9th (opening) meeting, on 4 July 1994, the Ad Hoc Working Group adopted its provisional agenda (TD/B/WG.4/12) as follows:

1. Adoption of the agenda and organization of work

2. Consideration of issues arising from the work programme of the Ad Hoc Working Group:

   Results of the Uruguay Round and their effects on the trading prospects of the developing countries, including identification of opportunities arising from the reduction of tariffs and non-tariff measures on products of export interest to them

3. Other business

4. Adoption of the final report of the Ad Hoc Working Group to the Trade and Development Board.

25. Following the opening statements made at the 9th plenary meeting, the Ad Hoc Working Group continued its consideration of agenda items 2 and 4 in informal meetings. The closing plenary meeting was held on 8 July 1994.

D. Adoption of the final report of the Ad Hoc Working Group to the Trade and Development Board

(Agenda item 4)

26. At its 10th (closing) meeting, on 8 July 1994, the Ad Hoc Working Group adopted its draft final report (TD/B/WG.4/L.11/Rev.1 and Add.1-2), with minor amendments. (See chap. II above).

27. At the same meeting, the Ad Hoc Working Group adopted the draft report on its fourth session (TD/B/WG.4/L.12) and authorized the Rapporteur to complete the final report as appropriate.

Notes

1/ For the terms of reference of the Ad Hoc Working Group, see report of the Trade and Development Board on the second part of its thirty-eighth session (TD/B/1323 (Vol. II)), decision 398 (XXXVIII), annex C.

2/ For the Final Report of the Ad Hoc Working Group, see TD/B/41(1)/7 - TD/B/WG.4/15.

3/ In accordance with the decision taken by the Trade and Development Board at the first part of its thirty-ninth session, the officers elected at the first session of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries are to remain in office for the duration of the life of the Ad Hoc Working Group. In view of the replacement of some officers at the second session, the elected officers of the Working Group are currently as indicated.

Annex

MEMBERSHIP AND ATTENDANCE*

1. The following States members of UNCTAD, members of the Ad Hoc Working Group, were represented at the session:

Algeria
Austria
China
Colombia
Cuba
Democratic People's Republic of Korea
Denmark
Egypt
Germany
Greece
Hungary
India
Indonesia
Iraq
Japan
Lebanon
Libyan Arab Jamahiriya
Madagascar
Mexico
Morocco
Myanmar
Netherlands
Nigeria
Norway
Pakistan
Philippines
Republic of Korea
Romania
Russian Federation
Saudi Arabia
Sri Lanka
Sudan
Switzerland
Tunisia
Turkey
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Uruguay
Venezuela
Zimbabwe

2. The following other States members of UNCTAD, not members of the Ad Hoc Working Group, were represented as observers at the session:

Argentina
Bolivia
Chile
Dominica
Ecuador
Eritrea
Ethiopia
Ireland
Italy
Jamaica
Nepal
Portugal
Qatar
Singapore
Syrian Arab Republic
Trinidad and Tobago

3. The Economic Commission for Africa was represented at the session.

The International Trade Centre UNCTAD/GATT was also represented at the session.

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* For the list of participants, see TD/B/WG.4/INF.4.

4. The following specialized and related agencies were represented at the session:

International Monetary Fund

The General Agreement on Tariffs and Trade was also represented.

5. The following intergovernmental organizations were represented at the session:

European Community
Organization of African Unity

6. The following non-governmental organizations were represented at the session:

General Category

International Chamber of Commerce
World Confederation of Labour
World Federation of United Nations Associations.

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